

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19570
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On June 7, 2006, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 2001 through 2004 in the total amount of \$4,146.

The taxpayer filed a timely appeal. He did not request a hearing. The Tax Commission has reviewed the file and hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayer met the Idaho income tax filing requirements. Because he had not filed Idaho returns for the years at issue, the Bureau attempted to contact him for clarification. He and his wife responded with a completed questionnaire and a letter. The questionnaire showed the taxpayer and his wife now live in California. The letter explained that they moved from Idaho to California in 2002 but continued to receive income from rental property in Idaho.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer

may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Determining the taxpayer had a requirement to file Idaho individual income tax returns, the Bureau prepared returns on his behalf and sent him a NODD. The taxpayer protested the determination. He provided a copy of an executed Power of Attorney form. Subsequently, he submitted his 2001 and 2002 Idaho returns and a new signed Power of Attorney form appointing a different accountant to represent him.

The Bureau accepted the taxpayer's 2001 and 2002 Idaho returns and cancelled the portion of the NODD addressing those two years. The taxpayer's 2001 and 2002 Idaho individual income tax returns will not be discussed further in this decision.

The Bureau sent the taxpayer a letter to acknowledge his protest and to advise him of the need to file actual 2003 and 2004 Idaho individual income tax returns in order to change the information shown in the NODD. He was allowed additional time over the course of several months.

The taxpayer has not filed his 2003 and 2004 Idaho income tax returns and has submitted nothing that would cast doubt on the Bureau's determination that was based on records retained by [Redacted] the State Tax Commission. The filing status of married filing separate was used because, by not filing state or federal income tax returns, the taxpayer did not make the election to file joint returns. One-half of the community income was used to determine the tax amount. No withholding was identified.

The interest and penalty calculated pursuant to Idaho Code §§ 63-3045 and 63-3046 were reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is

presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated June 7, 2006, is MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	\$160	\$40	\$32	\$232
2004	369	92	51	<u>512</u>
			TOTAL DUE	\$744

Interest is computed through July 1, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this ____ day of _____, 2007, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

DECISION - 3
[Redacted]

[REDACTED]

Receipt No.

[Redacted]